

Portals: Opening the Door to Success

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Phil Juravel, Owner, Juravel & Co.

Phil Juravel has great confidence that the portal product his firm uses is not a barrier to any of its customers. While he will not push the portal on any clients that are technologically challenged, he thinks the product is a barrier to very few. "I've got a 92-year old uncle who uses the portal," says the owner of the Alpharetta, Ga.-based Juravel & Co., who adds that he uses CCH ProSystem fx Portal "for everything, all contacts with our clients goes through the portals" and that includes notices that he terms "love letters from the IRS."

Juravel's firm, which has three full-time employees, has seen its postage and paper budget drop since it began communicating with clients via the Internet. And he notes, "I no longer have to pay for fancy covers" since he is not sending out paper documents to clients.

The experience should sound familiar to many tax and accounting practitioners. Before implementing the CCH product two years ago, Juravel's firm was photocopying documents and then mailing originals to the clients. A lot of the time spent handling paper is now devoted to other work.

"Did it [the CCH product] pay for the whole thing?" Juravel queries rhetorically. "No, but it pays for a chunk of it."

It's small wonder that web-based portals have been a hot product at tax and accounting firms since their business has historically involved handling and trying to track lots of paper documents that are exchanged between the professional and the client. And as firms have turned to document management systems, exchanging documents online has been seen as a logical extension of that process.

There are two major types of portals. One is a product that integrates with a vendor's other applications. The other is as a standalone product, such as the portals provided by CPA Site Solutions, which designs web sites.

"We include a client portal with a web site, no matter which service level customers go with," says Allison Lazarz, a senior account executive with the company.

As with portals in general, the primary function offered is the ability for accountants and their clients to upload documents to the Inter-

net as a method of providing secure file transfer. CPASite Solutions enables firms to brand the portals with their logos and to choose from a large variety of web site designs.

While the company offers a separate portal and a half gigabyte of storage for \$29.95 per month, its emphasis is on plans that include website design. These start at the Silver level which offers 150 website designs, a portal, the company's Workteam Collaboration Suite and email marketing system for \$49.50 per month.

Besides offering file exchange, the portals also offer online document management which the company says provides a "Windows Explorer like" interface for managing documents with feature folders that are organized in the following descending hierarchy: Cabinets, Folders, Sub-Folders and Documents. Also part of the system is FileVault, which provides automated backup and the company encourages firms to charge their clients for the service. Accounting firms can purchase an additional 4,000MB for \$9.95 per month.

What CPASiteSolutions does not offer is the ability to integrate with tax and accounting applications.



Mark Albrecht, CEO, XCM Solutions.

XCM Solutions takes a different approach to portals than do several tax and accounting vendors, according to Mark Albrecht, CEO of the Braintree, Mass.-based company. Most portals, he notes "are either standalone or attached to a document management system."

"Our portal is a transfer file portal as opposed to a document storage portal," he says.

For many accountants, the key issue solved by portals is the distribution of tax documents. There are several states in which tax returns cannot legally be attached to email messages since, in general, email is not encrypted and that produces the security issues that have triggered state legislation in this area.

Albrecht says that document portals work well in theory. But in fact, he adds, "if I post a tax return—nine months from now when the client wants his tax return—do you think he's going remember to go to the portal?"

XCMportal integrates with XCM's workflow management system,

a line that itself integrates with CCH ProSystem fx Document. Integration with a workflow product solves some problems Albrecht routinely faced as a practicing accountant. He says that in those days he was responsible for up to 300 clients and that included a lot of information that was needed to complete returns.

"I would have five or ten things out to clients waiting for information. I managed all that stuff in my head," he says.

With the XCMportal, users can post questions to clients, for example, about missing documents. The portal enables users to see all requests that have been made to clients and the tasks needed to complete a return. If a document is missing, "the client gets an email, uploads the document, and I am notified back," Albrecht says. Files are uploaded and downloaded from the XCM digital routing sheet and users post questions and requests for information directly from XCM's centralized repository.

XCMportal is priced at \$500 per year for XCM customers with 30 or fewer users. The price is \$1,000 per year for those with 30 to 59 users and \$2,000 per year for those with 60 or more users.



Jody Padar, CPA, New Vision Accounting.

Is there an advantage to a standalone portal versus one that is linked to a tax and accounting suite? The answer is a tossup, says Jody Padar, CEO and principal of New Vision Accounting, an Arlington Heights, Ill.-based CPA firm.

Standalone portals "work better for the end user," says Padar, whose firm uses a portal product from Thomson Reuters. But she contends that integrated portals are better for the accountant.

"Your choice is to support your end user and have them call you or to spend more time on your end pushing stuff out but knowing that it's easier on their end," she says.

Whatever the case, the number of portals in use by Thomson customers has been booming. Early this year, the company said there were 500,000 client portals, compared to 200,000 the prior year. The company says the total is now just under 650,000.

Thomson introduced its first portal, NetClient, in 2001 and had more than 2,500 firms using the product earlier this year. One of the latest major enhancements to the system came a year ago when Thomson

introduced the ability for firms to invoice clients.

This provides "the ability for a firm to streamline accounts receivable. They are not generating paper bills. They are not waiting for payments," was the description given earlier this year by Scott Fleszar, VP of strategic marketing for the Tax & Accounting business of Thomson Reuters. Fleszar says invoices of more than \$10,000 had been handled via the portal.

"It's a lot more than just document management," he commented.

Clients access their portals through the Virtual Client Office. There are some different flavors of the portals, depending on the software used by the clients, including Accounting CS Client Access, Client Bookkeeping Solution from the CS Professional Suite or QuickBooks Virtual Client Office.

QuickBooks hosting is offered through Right Networks. Portals for these clients are \$50 per portal, per month. For QuickBooks users that also use SmartVault, the cost is \$30 per portal, per month. The price for CBS users is \$14 per CBS company per month, and \$18 per portal per month. Portals integrating with FileCabinet are \$15 each per month.

SmartVault itself has a portal line that is sold specifically for tax and accounting professionals that starts with the five-user Accounting ProPan with 30MB of storage. Portal-only access by guests is unlimited for \$69 per month. For \$129 monthly, the company's plan for 10 firm users increases web-based storage to 60MB and the 25-user plan offers 150MB storage for \$268 monthly.



Jim Bourke, Partner, WithumSmith&Brown.

Thomson also offers portals that integrate with GoFileRoom, its online document management system.

"It provides a direct window into our document management system," says Jim Bourke, partner with WithumSmith&Brown of Red Bank, N.J., which has been using the product for seven years. And Bourke says the portal system "which sits on top" of the GFR document management application has become the primary way that the

firms' 13 offices deliver finished products to clients.



When overnight wasn't fast enough, Juravel & Company found a better way.

Some clients expect an all-digital CPA firm, while others depend on paper. Either way, clients want you to be responsive to their needs. When Juravel & Company had a client in Spain who needed his taxes done, shipping hard copies back and forth wasn't an option.



“Portal enables us to serve clients wherever they are. There will always be clients who still want paper copies, but you might be surprised... Some people who I never thought would want to use a portal did. It allows us to turn their work around faster.”

— *Phil Juravel, Managing Partner, Juravel & Company*



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"It is turning into the preferred method for the delivery of client tax returns," says Bourke.

The firm uses Thomson's web-based GoSystem RS to prepare tax returns. And while GoSystem does not integrate directly with GoFileRoom, returns can be printed to GoFileRoom. As with most other portals, the system is bi-directional and clients can upload or download files.

A relative newcomer to the tax preparation business, Orange Door, has also introduced client portals which provide the usual ability for the accountant and clients to upload documents. And it also provides access to client bank data.



Sharra Chan, CEO, Orange Door.

"It is like signing up for Mint.com," says Sharra Chan, CEO of the San Bruno, Calif.-based company. Orange Door utilizes Buxfer, a web-based finance tracking application that gathers bank data, which formats it for the Orange Door portal. Accountants can choose which items they wish to review. The service is free.

Orange Door is also testing a product that would enable data from third-party cloud products, such as QuickBooks, Companion, Avalara or Xero accounting, to be accessed via a portal so that the data in these programs can be used to populate a tax return. Orange Door portals are included with the company's tax preparation system at no additional cost.



John Springfield, Product Manager, CCH.

Portals do more than simply provide an online transfer service, according to John Springfield, a CCH product manager.

"I contend that firms that do engage in using portals actually increase the level of interaction between the accountant and the client," says Springfield. While he acknowledges that is a difficult claim to prove, the company has the numbers to show that ProSystem fx Portal "is one of the best-selling products that CCH has ever released," he continues. Portal annual subscription packages start at \$950.

While portals provide greater data privacy, the bigger issues for accounting professionals are state laws that require them to notify

clients about security breaches, Springfield believes. "The last thing they want to do is notify clients that they've had a security breach," he says.

Firms often need separate portals for those clients who have multiple business entities. "Each business entity should have a separate portal," says Springfield. However, he notes the ProSystem fx Portal enables clients to use a single login to see all of their portals.

Among the specific features provided for the management of documents is the ability of users to designate files as read-only or read/write. Documents can also be checked out so that other members of the firm cannot access the prior versions, while the system maintains previous file versions in document history. Documents can also be searched, filtered and displayed by such attributes as file type, title, creator and keyword. Files that can be shared include PDFs, web pages, hyperlinks, Excel spreadsheets, Word documents, Visio diagrams, PowerPoint presentation and financial software data files.



Chandra Bhansali, CEO, AccountantsWorld.

AccountantsWorld, based in Hauppauge, N.Y., has one of the oldest portal products on the market, which comes with the company's CyberCabinet. In fact, when the company first introduced its system about six years ago, it did not heavily market the portal because clients did not understand the concept, according to CEO Chandra Bhansali.

For a \$495 per year subscription, firms "get a full document management system and client portal," he says. Or, it might be best to say firms get client portals. Unlike competitors that charge for multiple portals, CyberCabinet offers its subscribers unlimited portals for each client.

Designed for small to midsize firms, CyberCabinet lacks some of the features that Bhansali says they would not find useful, for example the ability to check documents in and out. What it does provide, he continues, is ease of use and the integration with other applications in the AccountantsWorld line.

CyberCabinet also provides a tool that works well in handling bookkeeping needs, Bhansali continues. Clients can scan invoices and upload them to CyberCabinet, where they are grouped in the correct folder and a firm's staff member can see all unpaid invoices displayed in one folder. Once the accountant closes the client's books, all reports and financials go into that client's portal.